



# **YALI Network**

## Developing a Value Proposition

Before launching a business or nonprofit venture, it's critical to think carefully about how to present your idea to your target market as well as the general public. Writing a value proposition is a good place to start. If you would like more information before or after completing this worksheet, be sure to check out the YALI Network Value Proposition lesson: <https://yali.state.gov/courses/ddentrepreneurship-2/>.

A **value proposition** is a statement that summarizes how your organization (or idea) is unique and what distinct benefit(s) you can provide to your customers or constituents. To create a strong value proposition, you must have a clear idea of

1. **Who** your target audience is;
2. **What** problem or challenge your idea addresses; and
3. **How** your idea is unique.

### Step 1:

Define your ideal customer or constituent in as much detail as possible. Include demographics such as age, gender, economic status, and geographic location. What are their interests and motivations? How might they learn about your organization?

### Step 2:

Describe the problem(s) your business or organization would solve if successful. What benefit would your ideal customer or constituent gain from your product or service?

### Step 3:

Conduct a SWOT Analysis to help you think through your idea's/organization's **s**trengths, **w**eaknesses, **o**pportunities, and **t**hreats. In doing so, you will gain a better understanding of the factors that could impact your success, and make key decisions around them. The exercise also can help you hone in on what is most unique about your idea.

<b>Strengths</b> What is unique about your idea? What advantages do you have that other potential competitors do not? Is there a need for your product or service that is not being adequately fulfilled in the current market?	<b>Weaknesses</b> Do you have the knowledge and skills needed to succeed? Do you have adequate resources? What do your competitors have that you do not?
<b>Opportunities</b> What market trends might help support your idea? Are your potential competitors failing to fill a consumer need?	<b>Threats</b> What external factors (e.g., market fluctuation) could influence your idea? What are the obstacles standing between your idea/mission and success?

### Step 4:

Using insights from the exercises above, draft your value proposition. To reiterate, a strong value proposition is a single sentence that defines **who** your audience is, **what** challenge your idea or organization addresses, and **how** your idea or organization is unique.